

The
TRUSTEES'
ANNUAL REPORT
and
ACCOUNTS
for the
year ended
31 August 2021

Trustees' Annual Report

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Glossary of terms

CFB: Central Finance Board of the Methodist Church manages a Common Deposit Fund and a series of pooled investment funds for Methodist entities in Great Britain and provides investment advice to those entities

Church: a group of members from fewer than 10 to more than 300

Circuit: a group of Methodist Churches near each other, typically between 10 and 30

CMTF: Circuit Model Trust Fund

Connexion: The Methodist Church in GB which includes the Head Office in London at Methodist Church House, all Methodist Districts, Circuits and Churches in Great Britain

District: a group of contiguous Circuits, usually between 15 and 30

DAF: District Advance Fund

DPC: District Policy Committee

FRS: Financial Reporting Standard

HMRC: Her Majesty's Revenue and Customs

MCF: Methodist Church Fund

MMPS: Methodist Ministers' Pension Scheme

PASLEMC: Pensions and Assurance Scheme for Lay Employees of the Methodist Church

SOFA: Statement of Financial Activities

SORP: Statement of Recommended Practice

TMCP: Trustees for Methodist Church Purposes, the Custodian Trustee of all Methodist Model Trust property, including Legacies, Endowments and Accumulated Funds

Trustees' Annual Report

1 Objectives and Activities

The Bedfordshire, Essex and Hertfordshire Methodist District exists to serve the mission of the Methodist Church of Great Britain. The District comprises 177 local Methodist churches in these three counties, grouped into 12 circuits that are served by a ministerial team of nearly 50 (full-time equivalent) presbyters and deacons.

The District Synod is the principal governance body of the District, comprising the ministers stationed in the District plus a larger number of lay representatives appointed by the circuits. There are a number of District officers appointed to serve the work of the Synod in particular ways. The vast majority are lay and ordained volunteers, who undertake District responsibilities in addition to their other roles in the Church. The District officers are led by the District Chair, who is a presbyter appointed to serve the District full-time. The District employs two part-time Safeguarding Officers, part-time Finance Officer, full time District Discipleship Enabler and two part-time personal assistants to the District Chair.

The District serves the mission of the Methodist Church by supporting the work of its circuits and local churches and by exercising oversight over them, as specified under the *Constitutional Practice and Discipline of the Methodist Church of Great Britain*. Principal District activities include the deployment of ministers, ministerial development, continuing training for probationer ministers, strategic financial grants to circuits and local churches in support of their mission and ministry, and scrutiny of governance processes in the circuits.

The District Synod meets at least twice in each year to fulfil its governance and oversight responsibilities. As a registered charity, the Synod takes seriously its responsibilities to the Charity Commissioners and adheres closely to the published guidance on public benefit.

2. Achievements and Performance

During the church year ended 31 August 2021, the District Synod, together with the District Policy Committee (DPC) acting as its executive body, has continued to discharge its constitutional responsibilities in accordance with the *Constitutional Practice and Discipline of the Methodist Church*. In addition, the District Synod has pursued specific objectives in accordance with the priorities outlined in the Trustees' Annual Report for 2019-20.

District activities throughout this year have been overshadowed by the continuing Covid-19 pandemic, which has continued to affect church activities of all kinds. Nevertheless, through modest investment in information and communications technology, the District has been able to fulfil its governance responsibilities by means of video conferencing. This has been so successful that its use will continue in subsequent years for certain activities, thereby reducing travel costs and increasing the effective use of human resources. Despite the increased use of video conferencing, because of the general situation, the District has been unable to complete some of the work previously identified as priorities in its plans for this year. This work will be carried forward to next year.

The District Synod met in representative session by video conference in September 2020 and April 2021 to conduct essential business. Likewise, the presbyteral session of the District Synod met via video conference in March 2021. The DPC continued to meet throughout the year via video conference, as did various District committees, notably the ministerial candidates committee, probationers committee and grants committee.

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The Connexional supervision scheme was successfully extended to ministers stationed in the district without ministerial appointment or in appointments outside the control of the Methodist Church. Three ministers completed supervision training during the year.

A major development in District safeguarding policy during this year has been to expand safeguarding resources by establishing a second half-time post of District Safeguarding Officer. Recruitment took place in the autumn of 2020, and the postholder commenced work for the District on 2 January 2021.

In line with the national policy of the Methodist Church, the District was able to make a modest reduction in the financial assessment placed on circuits for the purpose of funding District and Connexional work. All the circuits have managed to meet their financial assessment during the year with the result that the District has not suffered an unexpected loss of income. Nevertheless, circuits and local churches have lost income from voluntary subscriptions and the letting of income which has implications for the future.

2.1 Plans for 2021-22

In addition to fulfilling its trustee responsibilities and discharging its governance responsibilities, the District Synod with the District Policy Committee acting as its executive intends to:

- (1) Further invest in technology and training to ensure that future synods can be held in a hybrid form in which some members participate via video conferencing.
- (2) Resume residential meetings for Superintendents twice a year, and a residential retreat for ministers stationed in the District in the first 10 years of their ministry.
- (3) Arrange an induction day for presbyters and deacons newly stationed in the District in 2021.
- (4) Review the district grants policy in the light of changing circumstances caused by the Covid-19 pandemic.
- (5) Renegotiate the lease on the District Office as a result of a change of landlord.
- (6) Host separate visits by the President and Vice-President of the Methodist Conference.
- (7) Provide grants to enable young people in the district to participate in the 3Generate youth event to be held in the autumn of 2021.
- (8) Continue work towards fulfilling the objectives identified in the district mission development plan for 2019-22. Specifically, a priority in the year 2021-22 (unavoidably carried forward from 2020-21) will be to negotiate a new memorandum of understanding for the ecumenical chaplaincy at the University of Hertfordshire.

3 Financial Review

During the year the District received total income of £383k (2019-20: £362k) and dispersed £340k (2019-20: £228k). To the resulting surplus was added net unrealised gains of £40k (2019-20: £4k) on investments and £130k (2019-20: nil) on revaluation of the Manse to produce a net profit of £213k (2019-20: an excess of £130k). Total funds carried forward are £1,499k (2019-20: £1,286k). It should be noted that the unrestricted reserves funded the purchase cost of the manse (£500k in 2006) which is now valued at £850k and, as a result, the unrestricted readily available reserves total £443k. (2019-20: £378k, on a like-for-like basis) after taking account of commitments to future instalments of grant.

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It should be noted that the surplus of £213k has been brought as a result of adjustments down of short and long-term grant commitments by £15k.

The trustees of the District have every reason to believe that the District is a going concern, principally because Circuits continue to meet their assessments and the District has adequate reserves to cover a shortfall in anticipated income. There are no subsidiary undertakings. In the light of general lockdown caused by the Covid 19 pandemic, the DPC will continue to closely monitor the District finances.

The District continues to hold the one freehold property being the Chair's Manse in Bishop's Stortford.

The District has the following principal sources of funds:

- Interest on investments
- Levies on the Circuit Model Trust Funds of Circuits within the District
- Assessments on Circuits within the District.

These sums are used to administer the District and to provide grants to Circuits, Churches and individuals in the District so that they may embark on or continue with projects that fulfil the mission of the District by bringing more people to Christ or by providing facilities that might enable this to happen.

3.1 Methodist Ministers' Pension Fund

Trustees are aware that the Methodist Ministers' Pension Scheme is treated as a group defined benefit plan. The net defined benefit cost is recognised by the sponsoring entity, The Methodist Church in Great Britain, as there is no contractual agreement or stated policy for charging the net defined benefit cost to individual entities, such as the District. The District recognises a cost equal to its contributions payable for the period. Further details in respect of these pension arrangements are disclosed in the accounts of The Methodist Church in Great Britain.

3.2 Investment policy and performance

To comply with Methodist Standing Orders, monies for long term investment are lodged with the Trustees for Methodist Church Purposes (TMCP). TMCP acts as custodian trustee for all real estate held by Districts and for all large (individually over £20k) bequests and for the proceeds of sale of any property formerly owned by the District. These sums are invested in unitised investments or held on deposit. The capital returns are close to tracking the movements in the FTSE100 index. The income mirrors the deposit rates available elsewhere. Both the Central Finance Board (CFB) and TMCP take into consideration social, environmental and ethical considerations, both negatively and positively, in establishing investment policy.

Short term deposits are lodged directly with the CFB and attract good rates of interest.

There are no benchmarks for the expected returns or appreciation on investments at TMCP and CFB. It is the District's policy to manage the cash and investment resources of the District so that a rate of return on investment – both by way of dividend and capital appreciation – is obtained at least as good as market rate considering the District's low appetite for risk.

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3.3 Reserves policy

The District has a reserves policy covering all its unrestricted funds which is reviewed annually. Although grants are made each year out of the District Advance Fund (DAF), it is recognised that some grants will be paid by annual instalments and that there will be applications repeated in future years. The trustees seek to ensure that there is sufficient in the DAF to meet these anticipated requests and show those sums payable in 2021-22 as a current liability and instalments due after the following year as long-term liabilities in the Balance Sheet. At the year end the unspent DAF balance designated, but not committed, for future grant-making amounted to £155k.

The minimum level of the General Fund is such as to pay for six months' payroll costs, and closing costs of staff redundancies, rent and the like expenditure. At 31 August 2021 this sum amounted to £100k (2019-20: £76k). Unrestricted undesignated reserves, at £443k, were substantially in excess of this amount at the end of the year. The trustees are, however, mindful that future income from the Circuit Model Trust Funds (CMTFs) is not secure and it is judged prudent to retain a buffer beyond the quantified need of £100k. Furthermore, some Circuits may find it difficult to meet their future assessments. As in some previous years, if the aggregate sum collected from the CMTFs is not all given out as grants in the same year, there could be a return of levy to the Circuits. It is always expected that the balance on the DAF will decrease, year on year, but this year it has increased since the Trustees have found it prudent to put in place contingent grant measures considering the Covid-19 pandemic effects. The existence of substantial designated and undesignated reserves at District level should be considered by Circuits within the District when they consider the need for their own reserves which we feel continue to be stretched in this current period.

3.4 The mix of funds

The reserves held at the end of the year were as follows:

	£k
<i>Unrestricted funds</i>	
General Fund	1,138
District Advance Fund	155
Total unrestricted funds	1,293
Rock Trust (a restricted fund)	165
District Disciple Enabler (a designated fund)	41
Total funds	1,499
Total unrestricted funds	1,293
Less: Tied up in freehold property/assets	(850)
Total readily available reserves	443

As a general policy Trustees have agreed to reduce the level of reserves gradually over the foreseeable future and to do this either by awarding, in year, grants in excess of the amount of the levies from the CMTFs and, possibly, by not increasing the circuit assessments by the amount necessary to meet the budgeted costs and to maintain the reserves. Obviously, the

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effects of the Covid-19 pandemic will continue to be felt in this albeit with lesser impact in 2021-22.

All funds are separately invested either with CFB or TMCP. No money is directly invested in property, securities or other forms of investment.

The year-end financial position of the District is healthy in that its resources are not only sufficient to meet future known liabilities but also sufficient for the District to carry out its plans for the following year.

3.5 Purposes of the funds

General Fund: this provides a reserve in case of major unforeseen expenditure in administering the District.

District Advance Fund: this provides much-needed grants to assist Circuits, Churches and individuals as well as the District in its work, much of which is with the wider community.

Rock Trust (a restricted fund): the trustees are able to spend the income and they do so every year. It provides financial help to young people in part of the District and elsewhere who wish to attend residential events.

Benevolence Fund: this is used to provide small sums of money to ministers and lay people in the District where it is believed that a financial gift would help relieve stress, of whatever form. The sums paid out in benevolence during the year exceeded sums received from donor organisations specifically for benevolence in the same period. When the restricted fund was fully dispersed, benevolence payments were made out of the general fund.

District Discipleship Enabler Fund-This is an annual grant awarded to the District by the Connexion and District Grant Team on a 1:1 basis, for the employment of the District Discipleship Enabler for the next three years

3.6 Collaborative arrangements with connected charities

One of the District's main sources of funding was the assessments obtained from each Circuit within the District based on the membership and staffing levels of the Circuit and this was used to defray most of the cost of administering the District. This sum amounted to £145k (2019-20: £128k).

Each year the District is allocated a sum by the London Mission Fund (LMF). In 2020-21 this amounted to £56k (2019-20: £56k) which can be used to pay for or contribute to the cost of certain activities within the District. This sum is not remitted to the District and does not appear in the accounts of the District because the District acts as agent for the LMF. Instead, the District nominates some grant applications which can be met by the LMF and passes these to the LMF so that the LMF can pay the grant directly to the grantee. Grants were awarded to various projects around the District.

The District also obtained from each Circuit with a reserve, known as a Circuit Model Trust Fund (CMTF), a levy based on the size of the Circuits' CMTFs at the start of the connexional

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year (01 September). In 2020-21 this sum was £93k (2019-20: £104k) and was credited to the District Advance Fund.

The District holds no funds as custodian trustee. It does, however, quarterly receive from Circuits within the District the Circuits' contributions to the Methodist Church Fund (MCF). These sums are collected as agent for the MCF and are passed to the MCF later in the same quarter. Funds received by the District as agent are not recognised as income or as an asset in the financial statements because the funds are not within the District's control. No fee is earned in respect of this agency arrangement and the District incurs no cost through providing this arrangement.

4 Trustees' Responsibilities

For each financial year ending on 31 August the Trustees are required to prepare financial statements that give a true and fair view of the District's financial activities during the year and of its financial position at the end of the year and to prepare an annual report for that year. In preparing these financial statements, the Trustees have:

- selected suitable accounting policies and applied them consistently using the accruals method
- made judgements and estimates that are reasonable and prudent
- followed the applicable SORP and accounting standard, SORP(FRS102) as updated, including FRS102
- adopted the going concern basis.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the District and enables them to ensure that the financial statements comply with the law. They are also responsible for safeguarding the assets of the District and ensuring their proper application under charity law, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the District's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and trustees' reports may differ from legislation in other jurisdictions.

5 Structure, Governance and Management

The District is an unincorporated association and is governed by the Methodist Church Act 1976, the Deed of Union and the Model Trust Deeds of the Methodist Church and was registered with the Charity Commission on 1 February 2010.

5.1 Structure

Circuits are groups of Churches; Circuits pay the stipends of most ministers and may employ lay (unordained) staff to serve the Churches in the Circuit; most decisions are made at or

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ratified by the half yearly Circuit Meeting. A District is a group of contiguous Circuits and makes its decisions at the half yearly Synods. The Methodist Conference meets once each year and is the supreme governing body in the Church.

1. Overall control rests with the Methodist Conference.
2. The Connexional Office implements decisions made by Conference and is also responsible for the stationing of presbyters and deacons (collectively known as ministers) in individual Circuits within the District.
3. Connexional decisions are passed to the Chair of the District and the appropriate officers of the District for implementation.
4. The District passes control down to Circuit level for local implementation by the Superintendent Minister, ministerial staff and Circuit Stewards, and authority is delegated to the Circuit Meeting for certain matters.
5. The Circuit Meeting passes control down to Church Councils for local implementation by the presbyter, the Church Stewards and other officers, and authority is delegated to Church Councils as Managing Trustees.

5.2 Purpose of the District

The District is an expression, over a wider geographical area than any Circuit, of the Connexional character of the Church.

The purposes of the Methodist Church are and shall be deemed to have been since the date of the union the advancement of:

- a. the Christian faith in accordance with the doctrinal standards and the discipline of the Methodist Church, and
- b. any charitable purposes for the time being of any Connexional, District, Circuit, local or other organisation of the Methodist Church, and
- c. any charitable purpose for the time being of any society or institution subsidiary or ancillary to the Methodist Church, and
- d. any purpose for the time being of any charity being a charity subsidiary or ancillary of the Methodist Church.

The primary purpose of this District is to advance the mission of the Church in Bedfordshire, Essex and Hertfordshire:

- by providing opportunities for Circuits to work together and support each other, and
- by offering to Circuits resources of finance, personnel and expertise.

The District serves the Local Churches and Circuits and the Conference in the support, deployment and oversight of the various ministries of the Church, and in programmes of training.

5.3 Governance

The District operates within a statutory framework of regulation and seeks to ensure that it follows Methodist Standing Orders. It relies on the Connexional Office at 25 Marylebone Road, London NW1 5JR to provide guidance on changes that could affect the District.

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The members of the District Policy Committee (DPC) are annually appointed by a vote of the Synod for a continuous term not normally exceeding six years. The Chair of District is *ex officio* chair of the DPC. When a position becomes vacant on the District Policy Committee, nominations are invited from ministers and lay members of Circuits within the District. The Chair of the District then shares with nominees what the roles involve. If they wish to be considered for a role, their names and reasoned statements are taken to the District Policy Committee and the District Synod for appointment. Members may be either ministers or lay people attending Churches in the area covered by the District.

The District Policy Committee normally meets four times each year and deals with routine and exceptional matters. It oversees the work of the Grants Committee, finance, property, the District office, the District manse, stationing of ministers, safeguarding, authorisations to preside at communion, and extensions to local preacher training. It also liaises with the East of England Learning Network.

5.4 Responsibilities of the District Policy Committee

- i to formulate and promote policies which will advance the mission of the Church in the Circuits and Local Churches and, in particular, to supervise the use of resources of personnel, property and finance and to assist Local Churches and Circuits having exceptional problems
- ii to encourage inter-Circuit and ecumenical co-operation
- iii to act in an executive capacity in matters remitted to the Committee by the Synod
- iv to keep within its purview all District concerns not dealt with elsewhere
- v to contribute and respond, as the case may be, to the development of Connexional policies as reflected in the work of the Conference and the Methodist Council, and to carry out its other responsibilities with any such development in mind
- vi to be aware that the stipend of the Chair of the District is set – currently by reference to average wages and the change over a year in the Consumer Prices Index - by the Methodist Conference as for all ministers within the Connexion
- vii constantly to be aware of the public benefit guidance issued by the Charity Commission.

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6 Reference and Administrative Details

6.1 Name of the charity

The Bedfordshire, Essex and Hertfordshire District of the Methodist Church sometimes abbreviated to 'BEH District'.

6.2 Charity registration number

1133921, registered in England and Wales

6.3 Principal Office

Room 1
Stansted House
Third Avenue
Stansted Airport
Essex
CM23 1AE
01279 681 976
www.behdistrict.org.uk

6.4 Chair of the District

Rev Dr David M Chapman from 1 September 2016

6.5 Secretary of the Synod

Mrs Lynne Ling appointed from 1 September 2019 to 31 August 2025

6.6 Assistant Secretary of the Synod (Presbyteral)

Rev Rachael Hawkins from 1 September 2014

6.7 District Treasurer

No Replacement has yet been appointed but Mr Nichodimus Kawadza was appointed the District Finance Officer on 1 September 2019 to look after all the District's finance activities.

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6.8 Names of trustees

The following served as trustees throughout part or all of the year 2020-21 or were trustees at the time of this report being approved:

Rev Gill Baalham (County Representative Beds). Appointed 15 September 2018
Miss Kathy Burrell (County Representative Essex). Appointed 01 September 2017
Mr Bob Butcher (Grants Secretary). Appointed 01 September 2007
Rev Dr David Chapman *ex officio* (Chair, *ex officio*). Appointed 01 September 2016
Rev Rosemary Fletcher (Ecumenical Officer to Herts). Appointed 01 September 2019
Mr David Friswell *ex officio* (East of England Learning Network Regional Co-ordinator)
Appointed 29 January 2018
Mr David Germany (County Representative Beds). Appointed 01 September 2011
Rev Mark Hammond (County Representative Herts). Appointed 01 September 2017
Rev Andrew Hollins (Ecumenical Officer to Beds). Appointed 01 September 2017
Mr Ian Hume (Property Secretary). Appointed 01 September 2006
Mrs Lynne Ling *ex officio* (Synod Secretary). Appointed 01 September 2019
Miss Marion Mear (Secretary to DPC). Appointed 02 January 2018
Mr Keith Norman (Lay Stationing Representative). Appointed 27 April 2013
Rev Tom Osborne (Ecumenical Officer to Essex). Appointed 01 September 2017
Rev Malcolm Peacock (Deputy Chair of the District and Methodist Council Representative).
Appointed 01 September 2013
Rev Chris Sandy (County Representative Essex). Appointed 15 September 2018

Most trustees attended all meetings of the DPC to which they were entitled to attend in the year and the attendance rate for all 16 trustees who served throughout the year and all four meetings of the DPC during the year was 82% (2019-20: 75%).

The Managing Trustees for the District are the members of the District Policy Committee.

No trustee claims exemption from disclosure of his or her name here.

6.9 Chair's PAs

Miss Carol Griggs & Mrs Sarah Sutherland

6.10 Bankers

HSBC plc
Town Centre
Danestreet
Stevenage
Herts
SG1 1BY

Central Finance Board of the Methodist Church
9 Bonhill Street
London
EC2A 4PE

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6.11 Investment managers and custodian trustees

Trustees for Methodist Church Purposes
Central Buildings
Oldham Street
Manchester
M1 1JQ

6.12 Independent Examiner appointed 16 September 2014

Vincent Chandler ACA FCCA of Moore Green, Chartered Accountants
22 Friars Street
Sudbury
Suffolk
CO10 2AA

Approvals

The Trustees' Report and the Financial Statements were approved by the District Policy Committee on *15th March* 2022 and were, for information, presented to the Synod on *7th May* 2022.

Rev Dr David M Chapman (signed)



Rev Dr David M Chapman
Chair of the District

Date:

16 March 2022

Lynne Ling (signed)



Lynne Ling
Synod Secretary

Date:

16 March 2022.

Trustees' Annual Report

7 Financial Statements

The Financial Statements comprise:

- the Statement of Financial Activities for the year ended 31 August 2021 (page 15)
- the Balance Sheet as at 31 August 2021 (page 16)
- the Notes to the Accounts (pages 17 to 32).

BEDFORDSHIRE, ESSEX and HERTFORDSHIRE DISTRICT of the METHODIST CHURCH
Year ended 31 August 2021

Statement of Financial Activities for the year ended 31 August 2021

	Notes to the accounts	General Fund (Unrestricted)	District Advance Fund (Unrestricted)	Designated Funds (Restricted)	Restricted Funds	Total 2020-21	Total 2019-20
		£	£	£	£	£	£
Income and Endowments from:							
1 Donations and legacies		250				250	356
2 Income from investments		2,208	5,455		2,165	9,828	10,939
3 Income from charitable activities							
4 Assessments on circuits		144,608				144,608	128,000
5 From Circuit Model Trust Funds			93,036			93,036	103,856
6 Contribution to the cost of the Chair	4	42,151				42,151	41,050
7 Connexional Advance & Property Fund			71,672	20,549		92,221	75,822
8 Other income	5	1,092				1,092	2,032
9 Total income		190,309	170,163	20,549	2,165	383,186	362,055
Expenditure on charitable activities:							
10 Grants and donations	6	17,381	107,893		1,872	127,146	23,696
11 Salaries and associated costs, inc Chair	7	166,814				166,814	142,861
12 Property	8	24,743				24,743	24,325
13 Office expenses	9	8,489	969		288	9,746	12,308
14 Synods, committees, Conference	10	5,214				5,214	10,198
15 Other outgoings	11	6,587				6,587	14,940
16 Total expenditure		229,228	108,862	0	2,160	340,250	228,328
17 Net unrealised gains on fixed assets	14	130,000				130,000	0
17 Net unrealised gains/(losses) on investments		19,293			20,455	39,747	-3,888
18 Net income		110,374	61,301	20,549	20,459	212,683	129,839
19 Transfers between funds	13	72,098	-51,549	-20,549	0	0	0
20 Net movement in funds		182,472	9,752	0	20,459	212,683	129,839
Reconciliation of funds:							
21 Total funds brought forward		956,021	145,024	41,098	144,149	1,286,292	1,156,453
22 Total funds carried forward		1,138,493	154,776	41,098	164,608	1,498,975	1,286,292

BEDFORDSHIRE, ESSEX and HERTFORDSHIRE DISTRICT of the METHODIST CHURCH
Year ended 31 August 2021

Balance Sheet as at 31 August 2021

	Notes to the Accounts	General Fund	DAF	Designated Funds	Restricted Fund	Total	Total 31/08/2020
		£	£	£	£	£	£
A Fixed assets							
b Tangible fixed assets	14	852,629				852,629	723,286
c Investments with TMCP	15	132,026	474,220	0	164,608	770,854	739,752
d Total fixed assets		984,655	474,220	0	164,608	1,623,483	1,463,058
e Current assets							
f Debtors and prepayments	16	395	0			395	1,179
G Central Finance Board deposits	17	168,262		41,098		209,360	167,261
h Cash at bank	17	4,703				4,703	1,245
i Total current assets		173,360	0	41,098		214,458	169,685
Less: Current liabilities							
j Creditors due in under one year	18	19,522	0	0		19,522	11,999
k Grants payable in 2021-22	19		177,163			177,163	178,488
m Total current liabilities		19,522	177,163			196,685	190,487
n Net current assets/liabilities		153,838	-177,163	41,098		17,773	-20,802
p Total assets less current liabilities		1,138,493	297,057	41,098	164,608	1,641,256	1,442,236
Less: Long term liabilities (due after more than one year)							
q Grants payable from 2022-23			142,281			142,281	155,944
r Net assets		1,138,493	154,776	41,098	164,608	1,498,975	1,286,292
Funds of the District							
s General Fund (unrestricted)	20.1	1,138,493				1,138,493	956,021
t District Advance Fund (unrestricted)			154,776			154,776	145,024
u Total unrestricted funds						1,293,269	1,101,045
Designated Funds	21			41,098		41,098	41,098
v Restricted Fund	21				164,608	164,608	144,149
w Total Funds		1,138,493	154,776	41,098	164,608	1,498,975	1,286,292

Under the authority of the trustees given at their meeting on

15th March 2022

Signed by Rev Dr David M Chapman, Chair of District

and signed by Lynne Ling, Synod Secretary

Date of signing

Date of signing

16 March 2022

16 March 2022

Notes to the Accounts

1 Basis of Accounting and Accounting Policies

i Accounting standard

The financial statements have been prepared in accordance with SORP(FRS102) as updated, being the current version of *Accounting and Reporting by Charities: Statement of Recommended Practice*. See also **v Accounting framework**, below.

ii Public benefit entity

The Bedfordshire, Essex and Hertfordshire (BEH) District meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s) below.

iii Basis

These accounts have been prepared on the basis of historical cost except that investments are shown at their market value at the end of the year. The accruals basis has been used and trustees present accounts that show a true and fair view of the District's financial position and activities.

iv Content

The financial information presented is relevant, reliable, comparable and complete. Where estimates are used these are based on experience, research and judgement. The accounts are expressed in £Sterling, rounded to the nearest pound. Rounding differences should be ignored. Where the content of this year's accounts is different from that of the previous year, the comparative year's numbers have been adjusted and restated to be in the same format and on the same basis.

v Accounting framework

The financial statements have been prepared under the Charities Act 2011 in accordance with the 2014 version of *Accounting and Reporting by Charities: Statement of Recommended Practice [SORP(FRS102)]* as amended, with the adoption of Section 1A of Financial Reporting Standard 102, in replacement for the SORP's 2005 version specified in its related 2008 Regulations and in accordance with the 'true and fair override' provision contained therein.

vi Going concern

To the best of their knowledge and belief the trustees confirm that there are no material uncertainties that would call into question the District's financial viability for at least 12 months from the date of approval of these accounts.

vii Consolidation

The District oversees the work of ministers (presbyters and deacons) and lay workers in Churches and Circuits within the District but has no power to control Circuits or Churches, ministers or lay workers except in extreme circumstances, none of which applied in the year. For this reason, the financial statements of Churches and Circuits within the District are not consolidated into these financial statements.

viii Income recognition

Income is brought into account when it is more likely than not that the economic benefit of the income will be forthcoming. No attempt is made to measure the value of services donated by volunteers. Details of how the contribution to the cost of the District Chair has been determined appears in Note 4. A similar figure appears in the Expenditure at Note 8.

Notes to the Accounts

Individual amounts categorised as *Other income* in the SOFA will be shown separately if they are considered material.

The District acts as agent in three matters:

- the collection of quarterly assessments from circuits which are paid to the MCF
- the payment of expenses of delegates from the District to the Methodist Conference
- the collection taken at the Spring Synod on behalf of the Methodist Ministers' Children's Relief Association.

In all these matters the transactions are not reflected in the SOFA because, in acting as agent for the MCF, there is no obligation on the District to make up any shortfall in assessments from Circuits. Sums received as Circuit assessments cannot, therefore, be recognised as income in the District as they are the income of the MCF, not of the District.

The value of time donated by volunteers is not recognised. Further information on this matter is provided in the Trustees' Annual Report.

ix Expenditure

This is recognised when incurred, regardless of the date of payment. Liabilities are recognised as soon as there is a legal or constructive obligation committing the District to pay out resources and that payment becomes probable. Until then, any material contingent liabilities are noted.

x Grants

Grants are made annually even when an application is for a recurrent grant over more than one year. A satisfactory report of substance from the individual or grantee body on the previous year's activities and outcomes is critically reviewed by the Grants Committee and is necessary to trigger payment of any further instalment. Grants that are payable in the future and were committed at 31 August 2021 are shown on the Balance Sheet either as a current liability (where the grants are payable by 31 August 2022) or in Long Term Liabilities (if payable after 31 August 2022).

xi VAT

Since the District is not VAT registered, expenditure is inclusive of VAT where charged by the supplier.

xii Tangible fixed assets

These are capitalised if they can be used for more than one year, and individually cost at least £1000. The freehold property is shown in the accounts at cost in 2006 of which the land component is deemed to be £180k. For the current year the property is shown at its revalued amount. No depreciation is provided because the trustees consider the residual value of the manse building is not less than cost and the depreciation would be immaterial. The property has been reviewed for impairment and none is provided.

Furniture and Fittings has been depreciated at 20% on a straight-line basis.

xiii Investments

The investments are in monetary assets and are held by the Trustees for Methodist Church Purposes (TMCP) as custodian trustees. The valuations, at market value, are those provided by TMCP. The unrealised gains/losses arising on investments at the end of the year are shown as income/expenditure in the SOFA and in Note 22 below.

Notes to the Accounts

xiv Debtors and Creditors; Bank and Cash

Debtors are stated at the amounts owed to the District or prepaid by the District. Creditors are initially recognised at settlement amount after any trade discounts, where normal credit terms apply, or at the amount advanced to the District. Subsequently, creditors that are current liabilities are measured at the cash or other consideration expected to be paid. The liquid funds of bank balances and deposit account balances are shown at the realisable values.

xv Loans

Where concessionary loans (*i.e.* free of interest) are made to (or received by) the District to further its charitable purposes, and are repayable after more than one year, they are initially recognised at the amount paid (or received), with the carrying value adjusted in subsequent years to reflect repayments and any accrued interest, adjusted for any impairment, if necessary.

Where there is objective evidence of impairment, an immediate impairment loss is recognised in the SOFA. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in the SOFA.

xvi Methodist Church Fund

The District acts as agent for the Methodist Church Fund (MCF) by collecting its assessments on Circuits and does not, therefore, include the assessments in the SOFA. If a Circuit is late in paying its MCF assessment to the District but such sum is received before the quarterly transfer to the MCF, the amount paid late will be shown as a debtor in the District's accounts.

xvii Funds

The trustees have adopted a policy for all unrestricted reserves which is that, over the medium term, there should be a gradual diminution in the balance in each fund. This includes all unrestricted reserves (the General Fund and DAF) but not the restricted funds being The Rock Trust Fund and the Benevolence Fund. There is no Endowment Fund.

xviii Chair's manse costs

The District is required to provide residential accommodation for the Chair and his family. The District bears the cost of repairs, maintenance, buildings insurance, Council Tax and water charges for the Chair. Note 9 below discloses the aggregate cost to the District of these elements.

2 Assessments on Circuits

The District is made up of the following Circuits:

34-1	North Bedfordshire
34-4	South Bedfordshire
34-6	Colchester
34-7	Tendring
34-9	Chelmsford
34-10	Southend and Leigh
34-11	South Essex
34-12	Herts and Essex Border Ecumenical Area
34-13	St Albans and Welwyn
34-14	West Hertfordshire and Borders

Notes to the Accounts

34-15 North Hertfordshire
34-18 Bishop's Stortford

All Circuits paid their assessments to the District and to the MCF during the year. An assessment on Circuits is annually determined by Districts by reference to the number of staff (both stipendiary and lay workers involved in mission) in the Circuits and the number of Church members but may also take into account a Circuit's ability to pay.

3 Contributions to the Methodist Church Fund (MCF)

In addition to the assessments on the Circuits to help defray the costs of running the District, the District acted as agent for the Methodist Church Fund which levied assessments on the Circuits in this District totalling £513k (2019-20: £523k) all of which were collected and paid over to the MCF in the year. No balance was held at the end of the year; no fee is received for this service which is performed at nearly nil cost to the District. These sums collected for and remitted to the MCF do not appear elsewhere in these financial statements.

4 Cost of Chair and Trustees

The Chair of District chairs meetings of the District Policy Committee (DPC). The members of the DPC are the trustees of the District. The stipend, employer's NIC and employer's pension contributions of the Chair of District are paid by the Methodist Connexion. The Chair's other costs are met mostly by the District.

	2020-21 £	2019-20 £
Stipend of Chair of District, Rev Dr David Chapman	25,524	24,852
Employer's National Insurance Contributions	3,211	3,120
Employer's pension contributions	6,866	6,700
District Chair Allowance	6,381	6,213
Com in Mistry Allow	169	165
<i>Cash cost paid by the Connexion (see SOFA)</i>	<i>42,151</i>	<i>41,050</i>
Chair's expenses	6,533	5,659
Total cost	48,684	46,709

Since the stipend-related costs above (*i.e.*, £42,151; 2019-20: £41,050) are borne by the Connexion, they appear both in the Income of the District and the Expenditure of the District (See *Note 7*). The aggregate expenses of the Chair's accommodation were £6,533 (See *Note 8*) making the total cost of his emoluments £48,684 (2019-20: £46,709). The Chair of District is the sole paid key management person and is supported by members of the DPC.

No accrual is made for the Chair's entitlement to a sabbatical as he would continue to be paid during his sabbatical and there would be little additional cost incurred by those taking on the Chair's responsibilities in the short term.

Notes to the Accounts

4.1 Payments to trustees

It is District policy to offer to reimburse members of the District Policy Committee and others involved in the administration of District affairs for expenditure properly incurred in carrying out their duties. The Chair of the District undertakes the primary executive role within the District. Apart from the Chair of District no member of the District Policy Committee was in receipt of any payment for work undertaken on behalf of the District, although certain travelling and administration costs were reimbursed whenever this was requested.

None of the trustees is an employee of the District. Travel expenses have been reimbursed to some nil (2019-20: six) trustees [members of the District Policy Committee (DPC)] who, in aggregate, have received the cost of travel incurred in attending meetings of the DPC and this amounted to £0 (2019-20: £674).

5 Other Income

The District does not undertake fundraising for its own purposes, other than as noted below.

Other income [£1,092 (2019-20: £2,032)] in the SOFA includes:

	2020-21 £	2019-20 £
From MCF for costs of delegates from BEH attending the annual Methodist Conference	525	0
Expenses Reimbursement	0	1,705
Other	567	327
Total	1,092	2,032

Each year the District Synod invites donations from the members of Synod for the Methodist Ministers' Children's Relief Association. The amount donated and paid over in the year was £0 (2019-20: £486).

6 Grants and Donations and Related Support Costs

Grants and donations of £127,146 were made during the year (2019-20: £23,696 in year).

		2020-21 £	2019-20 £
From General Fund	Benevolence	1,248	1,429
	Ecumenical Projects	16,133	16,133
From DAF	In year grants	128,031	
	Decrease in liabilities	-14,988	117,199
	Adjusting prior yr accrual	-5,150	-113,297
From Restricted Funds (see 7.1 below)	Benevolence	0	0
	Rock Trust	1,872	2,232
Total		127,146	23,696

Notes to the Accounts

The sum of the grants paid in the year through the DAF was £128,031 (2019-20: £111,209). Adjusting for prior year's accrual of £5,150 for grants approved not disbursed last year and decrease in grant provision of £14,988 gives us a total figure of £107,893 shown above.

6.1 Expenditure on charitable activities through the District Advance Fund

This fund receives formulaically determined contributions from the Circuit Model Trust Funds held by Circuits within the District and redistributes the monies to grantees in the District through relevant grants as assessed by the District Grants Committee. During the year the following grants were made:

	2020-21 £	2019-20 £		2020-21 £	2019-20 £
To Churches	Grants 61,781 Returns Acc Rev (5,000) Net 56,781	57,369	For Projects	0	500
To Circuits	Grants 30,600 Returns 0 Net 30,600	24,500	For Ministry	108,031 Rev (5,150) PIA 0 Net 102,881	103,199
To Institutions	87,381	81,869	For equipment	0	0
To others	Grants 35,650 Acc Rev (150) Net 35,500	33,650	Other	20,000	13,500
To individuals	Grants 0 PIA 0 Net 0	1,680			
Total	122,881	117,199		122,881	117,199

The income of the fund was £170,163 (2019-20: £163,890) during the year. The charge to the SOFA is the sum paid in grants during the year [£122,881; (2019-20: £117,199)] less the uplift in the aggregate liabilities (current and long term) for future instalments of grant [£14,988 (2019-20: £113,297)] to £319,432 (2019-20: £334,432).

An amount of £51,549 (2019-20: £51,549) was used centrally within the District.

The Grants Committee is aware that grant applications must demonstrate public benefit.

The support costs for grant-funding to third parties are insignificant (principally because the secretary of the Grants Committee is a volunteer and undertakes the vast majority of this work) and are not separately disclosed.

Notes to the Accounts

7 Salaries and Associated Costs

Gross salaries paid to five part time and one full time employees (2019-20: six) were as follows:

	2020-21 £	2019-20 £
Gross pay	110,834	91,132
Employer's National Insurance Contributions	9,173	4,615
Employer's pension contributions to defined contribution schemes and death in service benefit	4,655	5,231
Total costs of 6 (2019-20: 6)5xpart time&1xfull time staff	124,662	100,977
Cost of Chair (see Note 5)	42,151	41,050
CFB charges	576	480
Consultant		
Apprenticeship levies	513	354
Total staff costs	167,902	142,861

Total weekly contracted hours for 5 (2020: five) part time staff And one full time staff	120	120
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No employee received employee benefits that totalled more than £60,000. There is no accrual for holiday pay as it is immaterial; the holiday year ends on 31 August. All staff are paid at or above the living wage.

Two of the five part time employees were engaged exclusively in safeguarding matters, two provided secretarial assistance at the District office and one dealt with all financial matters. One full time staff dealt recruited midway during the year deals with discipleship matters in the District.

7.1 Pensions

Most ordained presbyters and deacons are members of the Methodist Ministers' Pension Scheme (MMPS). This is a defined benefit scheme. The Supreme Court held in 2014 that Methodist ministers (which term includes presbyters and deacons) are not employees of the Church. For simplicity, however, when dealing with National Insurance Contributions and pension contributions, the terms 'employer' and 'employee' are used as they would be in an employing body.

On the other hand, lay employees are contractually employees and have the option of joining the Pension and Assurance Scheme for Lay Employees of the Methodist Church (PASLEMC). This is a defined benefit scheme and the employing Churches and Circuits contribute as employers to this scheme. All our employees contribute to pensions schemes not administered on behalf of the Methodist Church. The BEH District has received from The Pensions Regulator an acknowledgement of declaration of compliance in connection with the automatic enrolment duties.

The Connexion accounts for both Methodist pension schemes and shows the figures in the annual Methodist Church in Great Britain accounts. The MMPS is in deficit but a plan for

Notes to the Accounts

removal of the deficit is being implemented. It would be difficult to determine the liability that could fall on the BEH District and no attempt has been made to attempt this valuation.

Notes to the Accounts

8 Property Costs

	2020-21 £	2019-20 £
District office, rent and services	18,210	18,666
Chair's manse	6,533	5,659
Total	24,743	24,325

9 Office Expenses (General fund) and TMCP charges

	2020-21 £	2019-20 £
Printing, postage and stationery	1,738	1,940
Telephone	2,830	2,487
Insurance	1,404	1,339
Safeguarding	1,431	4,189
Independent examination	864	816
Other		53
Total charged to General Fund	8,267	10,824
TMCP charges	1,479	1,484
Total	9,746	12,308

10 Synods, Committees, Conference

	2020-21 £	2019-20 £
Synods& Committees	803	3,337
The Methodist Conference		
Conference expenses reimbursed	525	
Chair's travel	3,886	6,087
District Policy Committee, as charged		774
Total	5,214	10,198

11 Other Outgoings

	2020-21 £	2019-20 £
Training	4,764	12,923
Other costs	1,166	2,017
Depreciation	657	
Total	6,587	14,940

Included in the other costs of £1,166 are expenses for TPT administration fee (£439), Finance and District Discipleship expenses (£327) and Chair's expenses of £234.

Notes to the Accounts

12 Investment Management

During the year, the District paid £1,480 (2019-20: £1,484) to TMCP, the custodians of the District's investments (District Advance Fund, the Rock Trust and part of the General Fund). The sum of £1,480 was levied at 0.2% on the value of the funds at the end of the previous year and is shown as partly allocated to the DAF (£969), Rock funds (£288) and General Fund (£222): £969 and £288 as Office Expenses in the SOFA. (See Note 9 above.)

The sum of £20,455 (2019-20: -£2,001) represents a net unrealised gain on the invested funds of The Rock Trust. More information can be found in Note 21 *Restricted Fund*. There was an unrealised gain of £19,293 (2019-20: £1,887) on part of the General Fund. The gross unrealised gains of £39,747 (2019-20: -£3,888).

13 Transfers between Funds

The transfer between funds shown on the SOFA represents sums that were transferred from one fund to another under the direction of the trustees.

During the year £51,549 (2019-20: £51,549) was withdrawn from the District Advance Fund to contribute to the funding of the following: ecumenical work, training grants, district discipleship enabler, safeguarding and administrative assistance.

Transfer of £20,549 was done from Designated Fund to General to meet the salary/expenses of the District Discipleship Enabler.

14 Tangible Fixed Assets

The value of the District manse, 1 Friars Wood, Bishop's Stortford, is believed to be considerably greater than its historical cost in 2006 shown in the accounts. The Trustees considered it prudent to show the property at its current market value of £850k, and a revaluation reserve has been created within the general fund to account for the increase in value from cost amounting to £350k. As the property has been revalued no depreciation is required. Depreciation of Furniture and Fittings is 20% on straight line basis.

	Land £	Buildings £	Plant and machinery £	Cost b/fwd £	Revaluation £	Depreci ation	Total £
Cost or valuation							
Property	180,000	300,000	20,000	500,000	350,000		850,000
Furniture & Fittings	-	-	-	3,286	0	657	2,629
Total	180,000	300,000	20,000	503,286	350,000	657	852,629

Notes to the Accounts

15 Investments with Trustees for Methodist Church Purposes

The funds that support part of the General Fund, the District Advance Fund and The Rock Trust are held by TMCP in the Trustees' Interest Fund or the Managed Mixed Fund on which interest and dividends are credited to the accounts. These are regarded as medium- and long-term investments and are shown on the Balance Sheet as Fixed assets.

TMCP is the Custodian Trustee of all Methodist Model Trust property and is held for and on behalf of local Managing Trustees (in BEH, the DPC) who are responsible for the day to day management of the property. TMCP ensures that, through providing guidance and acting under their direction, the Managing Trustees comply with charity law and Methodist law and polity as determined by the Methodist Conference.

15.1 Holdings at 31 August 2021 (2020)

	General	DAF	Rock	Total
Fund	£	£	£	£
Trustees Investment Fund	7,634 (5,897)	474,220 (484,606)	32,725 (32,720)	514,579 (523,223)
Managed Mixed Fund	124,392 (105,100)	Nil (Nil)	131,883 (111,429)	256,275 (216,529)
Total	132,026 (110,997)	474,220 (484,606)	164,608 (144,149)	770,854 (739,752)

16 Debtors and Prepayments

All sums shown as Debtors on the General Fund at 1 September 2020 were received during the following year. All sums paid in advance at 1 September 2020 were for activities or services related to 2020-21 and were charged to the SOFA in that year. It is expected that payments in advance at 31 August 2021 will be expensed in 2021-22.

	2020-21 £	2019-20 £
Trade debtors		
Prepayments		
Training	0	800
Insurance (114+95)	216	209
Printing	179	170
Total prepayments	395	1,179
Loan from church		
Total debtors	395	1,179

Notes to the Accounts

17 Central Finance Board (CFB) Deposits and Cash at Bank

The District has one current account at HSBC plc, an authorised institution. The sum held on this account is immediately available. In addition, the District has a deposit account at CFB, a common deposit fund. Interest is earned on this account and is credited monthly; the sums deposited can be withdrawn without notice and without loss of interest. The District has no other financial instruments. These sums are viewed as being liquid and are shown as Current assets on the Balance Sheet.

18 Creditors

	2020-21 £	2019-20 £
Creditors		
Expenses reimbursement		
Independent examination	840	816
Publications and office expenses		16
Salaries and consultant fees	185	184
Safeguarding	904	39
Ecumenical grant	14,075	5,000
Manse refurbishment	134	110
Training		
Other	147	61
Postage & printing	25	77
Telephone	85	73
Synods/Committees	96	113
<i>Conference</i>		
<i>DPC</i>		
<i>Travel-DC</i>	642	358
<i>Total trade creditors</i>		
Accruals/Provision		
Pension contributions	1,937	
<i>Taxation and Social Security</i>	452	
Total creditors	19,522	6,849

It is expected that all sums accrued at 31 August 2021 will be paid during the year to 31 August 2022.

Notes to the Accounts

19 Grant Commitments

Expenditure on charitable activities: District Advance Fund

Some grants are payable in annual instalments. The District expects to receive a report of the outcomes of the first (or subsequent) year's activities funded by the grant. Future instalments are shown as Current liabilities (if payable within one year of 31 August 2021) and as Long-term liabilities (where due after one year).

The following analyses are available:

	2020-21 £	2019-20 £
End of year commitments to pay one off grants or the first instalment in a future year	30,000	9,727
Anticipated second or subsequent instalments where the first instalment was paid in 2020-21 or earlier	289,444	324,705
Total anticipated commitment at 31 August 2021	319,444	334,432

Grants payable by year	2020-21 £	2019-20 £	£	£
2020-21				182,657
2021-22	177,163	178,488		
2022-23	67,281	98,663		
2023-24	22,500	42,281		
2024-25	22,500	7,500		
2025-26	15,000	7,500		
2026-27	15,000			
	319,444	334,432	319,444	334,432
Total anticipated commitment at 31 August 2021			319,444	334,432

After recognising the liabilities for future grants payable through the DAF, there is still a sum of £155k available for future grants. In the following year and subsequent years, further sums are expected to be credited to the DAF from the CMTF levies of those years.

The award of a grant by the District does not create a contractual relationship.

No individual or institution received grants of such a magnitude that they should be separately reported.

20 Unrestricted Funds

20.1 General Fund – balance £1,138,493 at 31 August 2021 (2020: £956,021)

The purpose of the fund is for use at the discretion of the trustees in the furtherance of the general objectives of the District and which have not been designated for other purposes. About 75% of this fund is held as a freehold property, the District manse for the Chair of District which is based on its revalued amount of £850k (2020: Revalued £720k) included in the general funds balance above.

Notes to the Accounts

20.2 District Advance Fund – balance £154,776 at 31 August 2021 (2020: £145,024)

The purpose of the fund is to receive monies from investments and to pay grants by annual instalments on applications made.

21.1 Restricted Funds - balance £164,608 at 31 August 2021 (2020: £144,149)

The Rock Trust, a restricted fund, exists to support residential and other activities undertaken by young people who currently live in the former London NE District of the Methodist Church. All the fund's assets are managed by TMCP and the net income (after charges) is paid direct to the administrators of the Rock Trust. Grants are awarded by the trustees of the Rock Trust, being the trustees of the District.

Movements during the year were as follows:

	2020-21 £	2019-20 £
Market value at 01 September 2020	144,149	146,150
Investment income received during the year	2,165	2,524
Net unrealised gain on the value of investments at the year end	20,455	-2001
Grants paid during the year	-1,873	-2,232
TMCP administration charge	-288	-292
Reversal of adjustment to bid price		
Market value at 31 August 2021	164,608	144,149

This is made up as follows:		
CFB Managed Mixed Fund	131,883	111,429
Trustees' Interest Fund	32,725	32,720
Total	164,608	144,149

Market valuations have been provided by TMCP.

The Benevolence Fund – balance £723 (2020: £473) - provides financial support to ministers and lay people in the District in need of support. The Benevolence receipts and payments were processed through the General Fund. (See *Note 6* above.)

21.2 District Discipleship Enabler- balance £41,098 at 31 August 2021. (2020: £41,098)

These are designated funds received from Methodist Connexion and District Grants Team for the employment of the Enabler

Notes to the Accounts

22 Fund Movements

22.1 Summary of fund movements 2020-21

Fund	Balance at 01-Sep-20 (Note 1)	Income (Note 2)	Expenditure	Transfers	Change in Liabilities/ Gains	Balance at 31-Aug-2021
	£	£	£	£	£	£
General	956,021	190,309	-229,228	72,098	149,293	1,138,493
District Advance (See Note 1 below)	145,024	170,163	-108,862	-51,549	0	154,776
<i>Total unrestricted</i>	<i>1,101,045</i>	<i>360,472</i>	<i>-338,090</i>	<i>20,549</i>	<i>149,293</i>	<i>1,293,269</i>
Rock Trust	144,149	2,165	-2,160		20,454	164,608
District Enabler	41,098	20,549		-20,549	0	41,098
Benevolence	0	0	-0			0
<i>Total restricted</i>	<i>185,247</i>	<i>22,714</i>	<i>-2,160</i>	<i>-20,549</i>	<i>20,454</i>	<i>205,706</i>
Total Funds	1,286,292	383,186	-340,250	0	169,747	1,498,975

Note 1 The DAF balances brought forward at the beginning of the year and carried forward at the end of the year are after providing for future grants. The liability for future grants at 31 August 2021 was £319,444 being a decrease of £14,988 over the provision brought forward.

Note 2 The amount of £190,309 excludes £149,293 of net unrealised gains; the amount of £2,165 excludes £20,454 of net unrealised gains; the amount of £383,186 excludes £169,747 of net unrealised gain.

22.2 Summary of fund movements 2019-20

Fund	Balance at 01-Sep-19 (Note 1)	Income (Note 2)	Expenditure	Transfers	Change in Liabilities	Balance at 31-Aug-2020
	£	£	£	£	£	£
General	952,199	175,092	-222,819	51,549		956,021
District Advance (See Note 1 below)	37,555	163,890	-118,169	-51,549	113,297	145,024
<i>Total unrestricted</i>	<i>989,754</i>	<i>338,982</i>	<i>-340,988</i>		<i>113,297</i>	<i>1,101,045</i>
Rock Trust	146,150	2,524	-4,525			144,149
District Enabler	20,549	20,549				41,098
Benevolence	0	0	-0			0
<i>Total restricted</i>	<i>166,699</i>	<i>23,073</i>	<i>-4,525</i>			<i>185,247</i>
Total Funds	1,156,453	362,055	-345,513		113,297	1,286,292

Note 1 The DAF balances brought forward at the beginning of the year and carried forward at the end of the year are after providing for future grants. The liability for future grants at 31 August 2020 was £334,432 being a decrease of £113,297 over the provision brought forward.

Note 2 The amount of £175,092 excludes £1,887 of net unrealised losses; the amount of £2,524 excludes £2,001 of net unrealised losses; the amount of £362,055 excludes £3,888 net unrealised losses.

Notes to the Accounts

23 Analysis of Net Assets among Funds

Fund balances at 31 August 2021 are represented by:

	Unrestricted general and designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	852,629		852,629
Fixed asset investments	606,246	164,608	770,854
Current assets	214,458		214,458
Current liabilities	(196,685)		(196,685)
Payables due after one year	(142,281)		(142,281)
Total	1,334,367	164,608	1,498,975

24 Related Parties

None of the District trustees made donations direct to the District during the year or in the preceding year. All of the District trustees are members of one or another Church and Circuit within the District and may be trustees in their Churches and/or Circuits.

Related parties include the Methodist Connexion, Circuits and Churches within the District, other Methodist Districts in Great Britain, the Methodist Ministers' Children's Fund, CFB and TMCP, except as reported in Note 5. All of these entities have their own trustees or directors. The following table shows the receipts from and payments to related parties during 2020-21.

Names of Connected Organisations	2020-21 Receipts £	2020-21 Payments £	2019-20 Receipts £	2019-20 Payments £
Donee: Methodist Church Fund		(512,780)		(522,880)
Donee: Methodist Church Connexion	20,549		20,549	
Donee: Methodist Ministers' Children's Fund		(0)		(0)
Donor: Circuits within BEH (assessments)	657,388		650,880	
Donor: Circuits within BEH (levies)	93,036		103,856	
Donor: Churches within BEH	250		356	
Donor: Circuits within BEH-Reimbursement		0		1,317
Donee: Circuits within BEH		(30,600)		(24,500)
Donee: Churches within BEH		(61,781)		(52,369)
Donee: Individuals (re 3 Generate)		0		(840)

Information about payments to trustees appears in Note 4.1.

Notes to the Accounts

25 Volunteer Contributions

Every entity (Connexion, District, Circuit, Church) within the Methodist Church in GB is heavily reliant on volunteers who contribute their skills, time and money in the furtherance of the work of the Church. At the BEH District the principal contribution is by serving on committees of the District that deal with mission, manses, finance, policy, grants, training, development, safeguarding. We are grateful to all of them for their help and commitment. No attempt has been made by this District to value the non-monetary contributions to the District in monetary terms.

26 Capital Commitments and Contingent Liabilities

There were no capital commitments or contingent liabilities at the year-end (2019-20: Nil).

27 Lease Commitments

The District has contracts or obligations for the following:

- Office accommodation which is a six-month periodic review tenancy c.£9,000.

In addition, there are short term obligations as follows:

- Reprographic equipment at the District office c.£54/month
- Telephones at the District office and the District manse c.£236/month
- Security alarm system at the manse c.£25/month
- Membership of the Friars Wood Residents' Association c.£50/month

The total liability of these is not considered material.

28 Independent Examiner

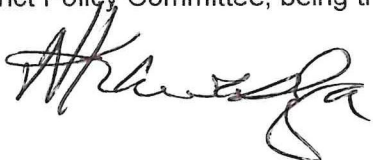
An accrual has been made for the fee of the independent examiner in the sum of £840 for the year (2019-20: £816). The charge in the SOFA represents the provision for this year's fee.

No additional services have been sought from or provided by the independent examiner during the year.

Declarations and Scrutiny

I confirm that these accrual-based accounts for the year ended 31 August 2021 have been prepared from the records of the District and that they include all funds under the control of the District Policy Committee, being the trustees of the District.

Signed:



Date:

16/03/2022

Nichodimus Kawadza, District Finance Officer

Presentation to the District Policy Committee for approval

I confirm that the Trustees Annual Report, the Statement of Financial Activities, the Balance Sheet and the Notes to the Accounts for the year ended 31 August 2021 were presented to the District Policy Committee at its meeting on 15th March 2022.

Signed:



Date:

16 March 2022

Rev Dr David M Chapman, Chair of District

Declarations and Scrutiny

Independent examiner's report to the Trustees of the Bedfordshire, Essex and Hertfordshire District of the Methodist Church for the year ended 31 August 2021

The trustees are responsible for ensuring that the annual report and accounts present a true and fair view of the District's income and expenditure for the year and of the assets and liabilities at the balance sheet date. The trustees consider that an audit is not necessary for this year under s144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under s145 of the Charities Act,
- follow the procedures laid down in the general Directions given by the Charity Commission under s145(5)(b) of the Charities Act, and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the District and a comparison of the accounts presented with those records. It also includes consideration of any unusual items, in nature or scale, or disclosure in the accounts seeking explanations from the trustees concerning such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, no opinion is given as to whether the accounts present a true and fair view. My report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention

1 which gives me reasonable cause to believe that in any material respect the requirements:

- a to keep accounting records in accordance with s130 of the Charities Act, and
- b to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act,

have not been met, or

2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

BEDFORDSHIRE, ESSEX and HERTFORDSHIRE DISTRICT of the METHODIST CHURCH
Year ended 31 August 2021

Declarations and Scrutiny

I have not obtained independent verification of all investments with the Trustees for Methodist Church Purposes or held in other trusts, bank balances and funds at the Central Finance Board of the Methodist Church which are individually in excess of £10,000 (ten thousand pounds) at the balance sheet date.

Signed:



Date:

16/3/22

Vincent Chandler ACA FCCA
Independent examiner
Moore Green
22 Friars Street
Sudbury
Suffolk CO10 2AA